

# State of South Dakota

SEVENTY-SEVENTH SESSION  
LEGISLATIVE ASSEMBLY, 2002

456H0380

HOUSE TAXATION COMMITTEE ENGROSSED NO.

**HB 1102** - 01/24/2002

Introduced by: Representatives Pederson (Gordon), Nachtigal, and Van Gerpen and Senators  
Vitter and Hutmacher

1 FOR AN ACT ENTITLED, An Act to revise the gross receipts tax that applies to certain  
2 telephone companies.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 10-33-21 be amended to read as follows:

5 10-33-21. All persons, corporations, cooperatives, and associations engaged in furnishing  
6 and providing telephone and exchange service comprising rental and toll service by means of  
7 wired circuits and otherwise and whose annual gross receipts are less than ~~twenty-five~~ fifty  
8 million dollars shall be taxed on the basis of gross receipts, according to one of the two following  
9 schedules. Whichever schedule provides the lesser percentage of tax shall be applied by the  
10 Department of Revenue:

11 SCHEDULE A

12	Average Number of Customers	Percentage of Tax on
13	Per Mile of Line (Density)	Gross Revenue
14	Not more than 1	2



1	More than 1, but not more than 2	3
2	More than 2, but not more than 3	4
3	More than 3	5

4 SCHEDULE B

5	Percentage of Tax on		
6	Gross Annual Revenue	Gross Revenue	
7	Not more than	\$ 15,000	2
8	More than \$15,000 but not more than	20,000	3
9	More than 20,000 but not more than	50,000	4
10	More than 50,000 but not more than	<del>25,000,000</del>	5
		<u>50,000,000</u>	

11 However, no telephone company operating in this state shall be taxed less than an amount  
12 equal to fifty cents per year per telephone serviced.